

california JOURNAL

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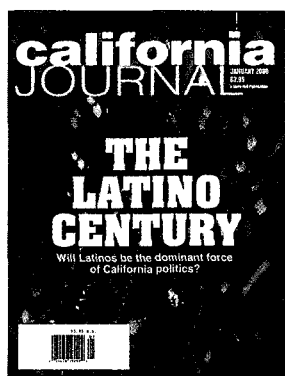
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Guns & Politics:

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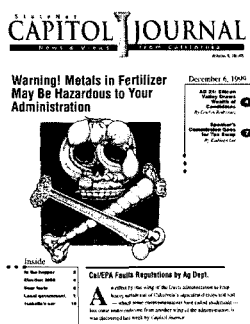
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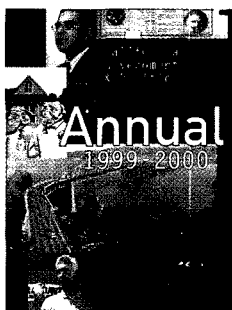
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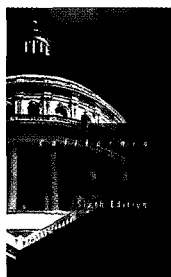
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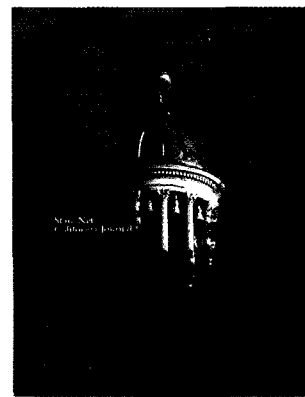
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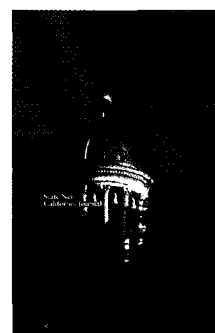
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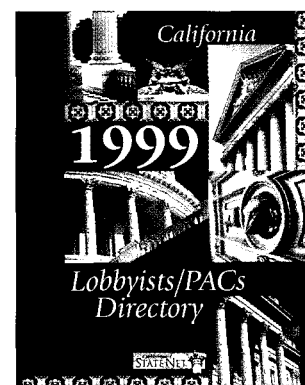


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March 2000

Volume XXXI, Number 3

Upfront

The Bottom Line

By the Numbers

State of the State

Rostrum

Washington Perspective

Holstering his guns

Led by a cautious governor, California is stepping back from its far-reaching record of gun-control legislation. That hands-off stance has left gun control advocates wondering where to go next.

By Max Vanzi



A doctor in the (U.S.) House

Many ER doctors have joined the ranks of gun-control advocates. But none has gone at it with quite the determination of UC Davis Medical School Dr. Garen J. Wintemute, a hands-on expert who testifies before Congress on gun violence.

By Max Vanzi



Has the gun industry taken a hit?

Hardly. Far from dragging under the weight of California's recent rash of gun-control measures, the state's weapons sellers are relishing some unexpected rewards.

By Cynthia H. Craft



Going after Internet gambling

Alarmed by the insidious side of Internet betting, legislators across the country are attempting to clamp some controls on the wildly popular, but elusive, cyber-casinos. So far, California has lagged behind.

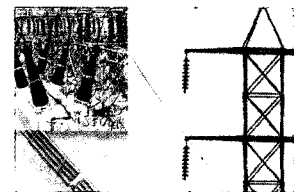
By Claudia Buck



Who turns out the lights?

It's legislators, not state regulators, who are calling the shots on California's energy policy. Is that what's good for us?

By Richard Nemec



A brief respite

As you dive into this edition of the *California Journal*, you might wonder why we, of all publications, aren't positively swirling in stories about this month's primary. Elections, after all, are the skin on our bones — and have been for our 30 years of public service.

Alas, the answer lies in quirks of timing and logistics stemming from our monthly deadlines. In February, we told you all about the elections coming in March. In

Cynthia H. Craft April we will deliver in-depth analyses of the

March primary results. But because this issue is put to bed in mid-February, we steer clear here of writing about the March 7 election because we don't want to risk delivering out-of-date information to our readers.

Rather, we are serving up a varied package of story topics, led off by our frequent contributor Max Vanzi, a former *United Press International* foreign correspondent and longtime editor and writer for the *Los Angeles Times* who delves into the complexities of gun-control legislation. Max's coverage rides the crest of a fever for gun crackdowns that is sweeping the nation. We hope you find it as thought-provoking as we do.



Illustration by Sandra Hoover

California, here they come.

Mercy sakes, good buddies, looks like we got us a convoy ... of presidential candidates. Thanks to the good voters of New Hampshire, both the Republican and Democratic presidential campaigns will be spending some of the money they have raised in California *in California*. Want a gander at the change? Consider this: Both Vice President Al Gore and former U.S. Senator Bill Bradley were in the Golden State a scant two days after the New Hampshire primary. Republican U.S. Senator John McCain of Arizona, the hottest post-New Hampshire ticket in the country, actually showed up at the California Republican Convention the week-end after leaving New Hampshire. Can anyone remember the last time three of the four major presidential combatants took time out from sniveling about grain yields and heating oil prices to come to California? O.K., besides coming to raise money, when's the last time?

Isn't it ironic? While we're on the subject of McCain, here's a little something to chew on as the "Straight Talk Express" sets its compass westward. The arrival of the Arizona senator as a legitimate challenger to Bush has, as we all know from watching CNN, turned the March 7 GOP primary into a potential barn-burner. The prospect of a meaningful presidential primary has, of course, translated into projections of higher than average turnout for said primary, indicated

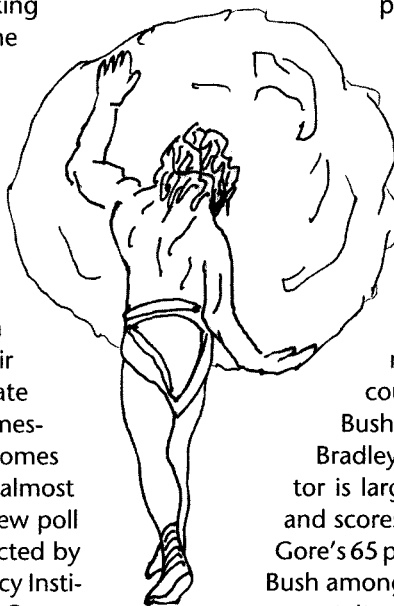
by the flood of last-minute registrations. While this may draw huzzahs from the civics professors, it also means that the people running campaigns down the ticket must now go out and make their pitch to more voters — what the pros refer to as the "universe of likely voters." Of course, the more voters you target, the more mail you have to send out. Mail costs money. More mail costs more money. Bottom line: The candidate touting finance reform will be indirectly responsible for an escalation in the campaign finance arms race in California.

Mr. Smith goes to trial.

Former Assembly Speaker Brian Setencich (R-Fresno) is back at his make-work job in San Francisco after beating a bribery and income-tax evasion rap pasted on him by federal prosecutors. The 11-member jury found him "not guilty" of charges he took a \$3,000 bribe and deadlocked on charges he'd skipped out on paying income taxes on some hefty cash transactions. The jury may have found the prosecutor's case wanting as far as actual crimes are concerned, but if the facts of the case are as portrayed, Setencich is lucky the jury wasn't asked to pass judgment on his intelligence. Think about it. Here's a guy who gets hooked up with a "businessman" who wound up serving three months on check-kiting charges. He continues his association with this "friend," Robert Yang, and even loans him thousands of dollars. He takes

River deep, mountain high.

For California Republicans, it must seem an almost Sisyphean task — making Latinos like them again. Since the pounding the party took in the 1998 elections, the GOP has done more than a year of soul-searching. They've recruited as many of the relatively few Republican Latino local electeds to run for the Legislature, and gotten the national party to commit to a major outreach to Latinos in the upcoming election cycle. And just when it looked like their front-running presidential candidate might come in with an appealing message to Latinos, bammo! Along comes John McCain to dilute the pitch. So it almost seems like piling on to mention a new poll made public this past week. Conducted by *La Opinion* and the Tomas Rivera Policy Institute, the survey shows Texas Governor George W. Bush pulling only 26 percent among Latinos in a match-up with Vice President Al Gore.



That's below the 30 percent benchmark the GOP has set as its barometer for progress among Latinos in California, and only a modest improvement over the 20 percent Pete Wilson pulled among Latinos in the 1994 gubernatorial campaign. Gore and President Bill Clinton also enjoy substantially better favorable ratings than Bush, although Bush is viewed favorably by more than two-to-one. Things could be substantially worse for Bush. He could, for example, be Bill Bradley. The former New Jersey senator is largely unknown among Latinos and scores an anemic 8 percent against Gore's 65 percent. Still, even Bradley beats Bush among Latinos, though by a scant 4 percent. It seems even an unknown Democrat is better than a decent Republican to Latinos. Like we said, Sisyphean. 🏴‍☠️

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\$3,000 from the guy, then doesn't have the smarts to recuse himself from a vote on his buddy's request for a rental waiver on the Fresno Convention Center. And this all happened before he went to the Assembly, cut a bogus deal with the Democrats to become speaker, fell asleep at the re-election switch the next year and eventually got taken out by a footnote who was himself defeated two years later. Brian Setencich may not be a crook. But he certainly is an industrial-strength goober, and one of the most spectacularly unsuccessful politicians in California history.

Stupid Web tricks.

It may not be on a par with the gubernatorial gaffe that had the official California Web site misspelled "Califonia." Still, Long Beach Democratic congressional candidate Erin Gruwell doubtless had a chat with her Webmaster after this one. Putting up a rudimentary Web site with photo, logo and phone number, everything seemed OK until you read the fine print. Underneath the large "Gruwell For Congress" banner, she indicated that she was running in the 38th District. Actually, what it said was "38th Assembly District." Right number ... wrong institution. The error was caught and corrected quickly, but not quickly enough to keep her opponents from downloading a copy and passing it around to everyone with a fax machine. Of course, mistakes happen and if Web miscues disqualified candidates from running, there'd be nobody left. Still, it's pleasant to imagine the slogan for the Gruwell for Assembly/Congress campaign: "What we need in Washington is somebody who'd rather be in Sacramento."

Number, please.

Of course, actual Assembly candidates can be hit by the typo bug as well. Witness Corona Mayor Jeffrey Bennett. Bennett sent out a fund-raising pitch in his bid for the 66th Assembly District seat that included

an envelope with all the usual disclosure information. Among the items listed was the candidate's own phone number. Well, at least that's what they were shooting for. Turns out that whomever proof-read the envelope didn't look closely enough at the number, and all those "Run, Jeff, Run" calls wound up going to a Corona family not connected with the campaign. They weren't amused.

Let me count the ways. Well, it appears Lieutenant Governor Cruz Bustamante is not to be denied his role in promoting the upcoming U.S. Census in California, even if that role is ceremonial. With Governor Gray Davis out of the state recently, Bustamante took the chance to issue a proclamation announcing "Census Awareness Day" in Los Angeles. In the proclamation, Bustamante offers recognition for, among others, the California Complete Count Committee, the 17-member Davis-appointed panel designed to promote participation in the Census. Wait a minute ... doesn't that ring a bell? You got it — that's the committee that Bustamante lobbied heavily to be named to chair. Still piqued over Bustamante's grandstanding on the Proposition 187 lawsuit, the governor told the lieutenant governor to go play somewhere else, which he did when he was named to a presidential Census commission only to be snubbed by Davis as part of the ongoing feud between the two leaders. Oh, and one more thing about the Bustamante proclamation. It was issued on some pretty new proclamation stationery, with the words "Acting Governor Cruz M. Bustamante" right up top. 🏛️

umbrage

Religious right losing its grip

by Susan Rasky



For at least the past decade the surest way to monitor the internal politics of the California Republican Party was by tracking the location of the anti-abortion booth at state party conventions.

A prime spot in the main exhibit area meant religious activists had triumphed in some arcane platform dispute, and placement in the less trafficked corridors meant a rare victory for party pragmatists.

The abortion fights were real enough, but it was always clear they had less to do with a struggle over the soul of the party than with a struggle for control of the party machinery. And that machinery, once firmly in the hands of the religious right, is being reclaimed, county by county, by state Republicans who call themselves the mainstream.

There's no mystery about the impetus for the shift. The resounding defeat of Dan Lungren in his 1998 gubernatorial bid, further erosion of GOP seats in the Senate and the Assembly and general displeasure with the way the current party leadership has handled everything from finances to publicity are all factors.

What's interesting is that it is happening largely from the ground up and that it seems to involve Republicans of widely varying ideologies, including some who firmly oppose abortion but want that issue excised from the party platform.

Over the next nine months, these mainstreamers hope to translate recent victories in county central committee contests into seats on the GOP state central committee, the 1,600 member body that actually makes party policy. That means lobbying GOP legislative and congressional candidates who appear on the November ballot (winners as well as losers) to appoint like-minded reformers to the state committee. The open primary, which tends to favor middle-of-the-road candidates, is a rather useful tool in this process.

Precisely who appoints whom and in what numbers is determined under a Rube Goldberg set of formulas that defy explanation in this limited space. But if all goes as the reformers hope it will, the balance of power on the central committee will have shifted enough by this time next year to install former Santa Barbara Assemblyman Brooks Firestone as chairman of the state party.

Firestone, who made an unsuccessful but surprisingly strong run for the vice chairmanship in 1999, is the public face for the loose network of about half-a-dozen GOP voluntary organizations

involved in the effort to retake the party. The network's key organizer is Bob Larkin, president of the Congress of California Republicans. While separate from the higher profile and bigger bucks battle over control of the Orange County central committee, the network's effort has had financial backing from Firestone and active support from GOP Congressman Tom Campbell (R-Campbell), Assemblyman Jim Cunneen (R-San Jose) and Senator Richard Rainey (R-Walnut Creek).

Larkin's own voluntary group was formed in 1989 and composed primarily of GOP conservatives who were ousted from the California Republican Assembly by followers of Pat Robertson, then president of the Christian Coalition. The CRA, which has been around since 1934, was the perfect vehicle for launching a party takeover. It had chapters throughout the state, waning attendance and, most importantly, the ability to endorse candidates in Republican primaries.

The Christian Right made good use of that endorsement capability. By 1991, religious activists had leveraged control of the voluntary organization into enough power over

state party appointments to elect a sympathetic party chairman and change the party bylaws to further dilute the strength of old-line Republicans. By 1993, religious right activists controlled a majority of seats on the party board and by 1997 they controlled all but eight of the county central committees.

Looking back on it, Larkin says the seeds of the Christian Right takeover were planted in the early 1980s with a redistricting gerrymander that gave both Democrats and Republicans too many safe seats. With general election victories assured and mostly minor primary competition for incumbents, GOP candidates had little need for the party to cultivate party activists. The party infrastructure and the voluntary organizations subsequently withered.

"Robertson and his followers actually debated starting a third party after his presidential run in 1988, but they didn't need to," Larkin says. "They saw our soft underbelly and decided to go after the county central committees. I lay two-to-one odds that by next year, we succeed in taking them back." 🏛️

Contributing editor Susan Rasky teaches at the University of California, Berkeley, Graduate School of Journalism. Comments may be sent to edit@statenet.com.

The GOP
machinery
is being
reclaimed by
mainstream
Republicans.

"We let science be our guide."



————— John Campbell —————

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Where does gun

For years, California has led the pack, firing off more gun control legislation than any other state. Now Governor Gray Davis says, "Let's slow down."

By Max Vanzi

If this is a time of falling crime rates, there are places where you'd never know it. At the Ralph J. Bunche Middle School in low-income

Compton, former gang members paralyzed from the waist down from gunshot wounds roll into a sixth-grade class in wheelchairs. Gang-bang like we did, they caution, and you could wind up like us – assuming you survive at all, that is.

The 11- and 12-year-old black and Latino students listen attentively to the admonitions to steer clear of violence, but what are their chances? When counselor Gil Salinas asks how many of the 30 or so kids in the class



know someone who's been killed or wounded by gunfire, 25 hands go up.

A violence intervention counselor addressing minority school kids in East Oakland asks how many would know

with understandable concerns for public safety as horrific shooting incidents add up — all at a time of falling crime rates and school campuses statistically safer than ever. Violent juvenile crime,

tempts to reduce gun deaths.

Proposals that mirror California's controls on guns are before Congress in an election year that could turn the tide toward a Democratic majority in



"Lawmakers in pursuit of trying to control a

where to get a gun — today? Commonly, two-thirds of the students raise their hands.

Following the staggering toll of 15 dead from a killing spree by two students last year at suburban Columbine High School in Colorado, the worst among half a dozen recent shootings on school grounds, passions flared and fear spread.

Nothing outraged the public more than Columbine and, as a result, the gun lobby finds itself fighting off demands by charged-up gun control advocates for new restrictions on firearms. Meanwhile, news reports from across the nation tell of prosecutors and school officials instituting a panicky "zero tolerance" at the slightest hint of anti-social behavior. Two fifth-graders in Arlington, Virginia, accused of spiking their teacher's water bottle with soapsuds, were charged with felonies. A girl in Washington state was read her Miranda rights and expelled from school briefly, for jokingly pointing a forefinger at a classmate and saying, "Bang."

"Armed America," intoned Dan Rather kicking off a CBS series on gun trafficking. HBO ran "A Day in the Death of America" about 61 gun killings during a 24-hour period—10 years ago. On the talk show circuit: "Do you have a violent, out-of-control child and need Maury's help? Dial 888-MAURY."

In gun-prevalent America, cross-currents of over-reacting officialdom and a hyperactive media intermingle

gun deaths and serious crime in general all have shown declines of 15 percent to 25 percent in the last half-dozen years.

Reacting to tragedy

Predictably, from the White House to the state house, officeholders have seized upon the scattering of heart-rending tragedies, rather than the dry statistics, as their cue to spring into action to stop gun violence. And no elective body has done more than the California Legislature.

Last year, state lawmakers and Governor Gray Davis led the nation in making new laws to regulate the gun trade. Enacted, among other measures, was a beefed-up ban on assault guns, a limit imposed on handgun purchases, a law to take effect next year aimed at stopping production of cheap handguns, and a requirement for trigger locks on handguns by 2002.

Clearly, the Legislature responded in typical reactive style to the big news of recent violent incidents, topped by the Columbine rampage last April. But there is also a steady, if unintended, progression in the way California has legislated against criminals and guns during the 1990s.

That progression is now stalled, thanks to a governor who has declared he will sign no more gun control bills this year. He says he wants to give law enforcement time to digest last year's batch of bills. If Davis holds to his pledge, it is doubtful that California will remain the leader in at-

tempting to reduce gun deaths. President Clinton, meanwhile, is proving to be something of a polar opposite to the now-hesitant California governor on the gun control front. He has asked Congress for funds to put hundreds of prosecutors and enforcers in place solely to police the gun business, to develop new technology for gun safety and to upgrade government ballistics testing capabilities.

Some of what Clinton advocates in the gun control debate has been discussed for years in California. Were those discussions to evolve into legislation and law this year, the continuum would remain unbroken from that moment almost six years ago when the governor and Legislature took a hefty swing at beating back crime.

Three strikes sets tone

The seminal event was the state's 1994 "three strikes and you're out" law that can send away repeat felony offenders for 25 years to life, even if the last offense was relatively minor and nonviolent. Governor Pete Wilson, a Republican hard-nose on dealing with crime, praised the bill as he signed it into law. But politicians of every stripe stood up for "three strikes" and, just for good measure, proponents took it to the statewide ballot where it passed overwhelmingly.

That same year, laws were passed that made prison life tougher and kept inmates in prison longer by reducing time off for good behavior and by

allowing parole hearings less often.

Tougher prison sentences and newly specified crimes aimed, for example, at street gangs became the crime-fighting norm for the Legisla-

tional penalties.

But 1997 also marked the beginning of a shift in emphasis for lawmakers. With growing public support and media attention, they brought

Gun control will never tire
imaginary class of firearms."
- Steve Helsley, NRA lobbyist

ture, Wilson and state voters. Ballot measures passed easily in 1995 that allowed the death penalty upon conviction for committing fatal carjackings, drive-by murders and the murder of jurors. Lockup times could be extended beyond maximum prison sentences for sex offenders.

For those twice convicted of sex crimes, California in 1996 became the first state to mandate a form of temporary chemical castration, likely to begin in 2002. "I'm sending a message to child molesters of the world that you are not welcome in California," said the castration bill's author, then-Assemblyman Bill Hoge, R-Pasadena.

In 1997, the state's 10-20-life measure added progressively to prison sentences depending on if, during the commission of a crime, a perpetrator carried a gun, fired a gun or fired and hit someone. State prison officials said that 38 new laws that year would contribute to a rising prison population.

This year's Proposition 21 on the March ballot (results unknown at this writing), calling for a long list of harsher penalties for juvenile violent offenders, represents a throwback to the get-tough times under Wilson. The former governor was, in fact, the chief sponsor of Proposition 21, which, at estimated costs in the hundreds of millions, "bundled all the bills the Democrats would never let [Wilson] have," said a Capitol source. Two other March ballot propositions of narrower impact also called for tougher crimi-

nal penalties.

At first, some gun control laws sought merely to close loopholes in state and local firearm regulations—better safety devices, closer scrutiny of gun sellers, restrictions on the capacity of bullet-feeding magazines. But a trend was under way. In the Legislature, modest forms of "gun control" joined "sentence enhancement" as an accepted crime-fighting tool.

With the shift came new opportunities for the political left to play a leading, crime-busting role. Among the authors of new firearms control laws passed in 1997 were two of the Assembly's most liberal members, Democrats Kevin Shelley of San Francisco and Dion Aroner of Berkeley. Shelley's bill required new residents to register their handguns. Aroner's banned the sale of some ammo categories to minors.

In 1998, Wilson's last year as governor, lawmakers sent to his desk another stack of bills imposing tougher penalties on criminals. He signed most of them but balked, as he had before, at bills that went farther down the road to gun control than the handful he had approved a year earlier.

But with the election of Democrat Gray Davis as governor, gun control moved to the top of the public safety agenda and seemed set in stone for years to come. Davis signed gun regulation measures that had been routinely rejected by Wilson.

Among them: a new approach to

banning assault weapons that overrode an earlier ban that proved to be full of loopholes. The measure, by state Senator Don Perata, D-Alameda, defines assault weapons based on generic characteristics instead of by make and model. Gun groups and dealers complained of confusion over what now constitutes a banned weapon. But Attorney General Bill Lockyer has aggressively defended the workability of the ban, going so far as to demonstrate at news conferences, with examples, how to tell if a gun is legal.

Still, the National Rifle Association, among others, tries to keep alive the debate over these rapid-fire weapons. NRA lobbyist Steve Helsley predicts the Perata law will self-destruct, allowing politicians to thus continue legislating in what amounts to "constant government meddling in [gun] design." Lawmakers in pursuit of gun control will never tire, he says, of "trying to control an imaginary class of firearms."

Gun bills dry up

Among other gun control bills that finally became law with Davis' signature, the legislation discouraging the manufacture of cheaply made handguns carried by Senator Richard Polanco, D-Los Angeles, failed on three previous attempts during the Wilson years. Restricting individuals to the purchase of one handgun a month also had a history of failure going back to 1993-94 when such a bill was first carried, unsuccessfully, by then-state Senator Gary Hart, D-Santa Barbara. Two more legislative attempts failed in 1997 before Assemblyman Wally Knox, D-Los Angeles, saw his bill signed into law last year.

By the end of 1999, it seemed there was a governor and Legislature in synch, ready to take gun control to the next level. Prospective bill authors rubbed their hands together in anticipation of year 2000 laws that would require the licensing of handgun owners and a tighter form of firearms registration.

Licensing and registration proposals vary in the details but basically would require government monitoring of guns and their owners, much as

the Department of Motor Vehicles keeps tabs on cars and drivers. The licensing feature would require thorough background checks, periodic license renewals and testing to ensure that gun owners can handle a firearm safely. Registration, going beyond the present one-time notification to the state when a handgun is first sold, would require gun owners to renew registration periodically. They would also have to report a loss, theft or sale immediately to law enforcement, crucial for purposes of tracing crime guns.

Fees would be collected from applicants, ranging up to around \$150 in initial costs to gun owners. Gun groups have objected vehemently to the fee proposals, calling them another step toward government confiscation of all firearms.

But all of that is now postponed. With Davis' announcement that, Sorry, fellow Dems, he would not sign further gun control bills this legislative session, prospective authors faced a Y2K problem: to carry or not to carry gun bills. Consequences have been two-fold. First, fewer gun bills than usual have been introduced so far this year, according to lobbyists and interest groups tracking legislation. But, secondly, some legislators are determined to keep the gun control bandwagon rolling, despite the brick wall it could hit when it reaches Davis.

At various times, half a dozen Democratic legislators have introduced, or spoken up for, bills on the licensing and registration issue alone. All have chosen their words carefully in explaining why they are forging

ahead in the face of Davis' implied veto threat.

Shelley, whose licensing and registration bill is moving the quickest [though he hit a roadblock and had to detour around the Assembly Appropriations Committee recently], said he won't "jam the governor" by daring him to veto his bill. But neither will he abandon a cause that has leadership support in both houses.

"It's important for us in the Legislature to continue to develop the policy," said Shelley, the Assembly's Democratic majority leader.

Outside the Capitol, gun control proponents say licensing and registration top their list of needed reforms. They cite polling showing public support for these controls running as high as 80 percent.

A 'hero of medicine' takes aim at guns

In a novel approach, UC Davis doctor treats guns as a health issue

By Max Vanzi



Dr. Garen J. Wintemute
UCD professor and emergency room doctor

When a bullet makes a chest wound and the victim manages to reach a hospital still breathing, the race to preserve life often gets messy.

Standing in a pool of the patient's blood and other fluids, doctors in the resuscitation or "resus" room scramble to find the source of the bleeding. One method: They cut a crease through skin and tissue outward from the patient's breastbone. Into the opening they insert a set of rib spreaders and turn the crank handle until enough ribs are moved or broken to expose the wound.

As the blood gushes and the puddle underfoot spreads, doctors thrust hands into the opening. Maybe a thumb

pressed over a bullet hole into a heart vessel will help, or massaging the heart by hand will keep it pumping, or snapping tubes into place can introduce new blood, if available, to replace escaping blood.

If, after this gory drama, the patient is kept alive, he or she is wheeled to the less-frantic setting of the hospital's operating room for surgery and perhaps some level of recovery.

"We're good at what we do for the people who get to

'Smart guns' on the horizon

Eric Gorovitz, director of policy for the Bell Campaign, a gun control advocacy group, says that, given the public's appetite, Davis is resisting new licensing and registration legislation this year "for reasons I really don't understand." Before the year ends, Gorovitz believes, "The Legislature may force [Davis'] hand" into signing such bills.

"For so long, we've been tinkering at the margins of the gun problem in this country," says Gorovitz. "What we really need to be doing is attacking it head on and that means licensing and registration."

Luis Tolley, the western states director of Handgun Control Inc., also says "we shouldn't waste any time" in moving toward licensing and tighter

registration. But, he adds, noting Davis' intent to go slow, even if it takes two years, "that's still tremendous progress."

Among the governor's financial supporters, at least one prominent figure jumps out as flatly opposing any delay in enacting licensing and registration. He is Eli Broad, the CEO of the multibillion-dollar SunAmerica financial services company, founder of the Southern California home building empire Kaufman and Broad, and a longtime benefactor of educational pursuits — and of Democrats.

Broad, who contributed \$50,000 to Davis' 1998 general election campaign and recently made "an additional contribution to Gray," said that California "definitely should move forward with registration and licensing"

of handguns without the delay advocated by Davis.

Based on a talk he had recently with Davis, Broad said the governor "thinks this is such a hot potato that it could hurt him [politically]," perhaps inflicting the kind of fatal wound that the gun issue did for former Los Angeles Mayor Tom Bradley. Bradley lost by a whisker to George Deukmejian in his 1982 race for governor. Analysts said Bradley could have won had there not been an initiative on the same ballot calling for a handgun ban, thus bringing to the polls conservative gun owners in high numbers.

In the present climate, however, Broad said he is hopeful that public support for stronger gun control will grow to the point Davis "would have a problem" vetoing a gun control

us," says Dr. Garen J. Wintemute of the University of California Davis School of Medicine. "But most of the people never get to us. They never see an ambulance crew. They bleed to death too fast."

Many ER docs, frustrated by this reality, have joined the ranks of gun control advocates trying to stop the carnage by getting criminals' guns off the streets.

But none has gone at it with quite the same energy, determination and record of accomplishment as Wintemute, 48, a one-man band who is a professor of epidemiology and preventive medicine, a practicing emergency room doctor and director of his own Violence Prevention Resource Program. He has compiled, interpreted and published volumes of stats and facts on the anatomy of gun violence and has advised governments on how to stem it.

Wearing his gray-brown hair in a tidy ponytail, Wintemute has testified before Congress three times and appears at state and local hearings many times a year. He explains which guns are used most often to shoot people, where they come from, and how they wind up in the hands of criminals. He works with federal firearms experts to devise better methods of tracing guns used in crimes and has found, for example, that only a tiny fraction of the nation's gun dealers are selling guns that find their way to police evidence rooms.

He is the author of the 1994 seminal study "Ring of Fire" that brought to public attention the half-dozen manufacturers in Southern California who at the time were producing most of the nation's inexpensive handguns. These are the guns called "Saturday night specials" that not long ago were repeatedly turning up in criminal hands and also are considered dangerous to the shooter. A state law effective next year takes aim at such guns, banning any that

cannot pass a series of safety tests.

The law may contain elements by which some gun makers would benefit, but not the makers of the flimsiest, cheapest models, says Wintemute. The companies cited in his study, he notes, already are going through hard times economically. Facing a battery of lawsuits from cities around the country accusing them of making products that drive up public health care costs, the California factories are producing only a fraction of their former top output.

A 1997 special edition of *Time* magazine proclaimed Wintemute one of 15 "heroes of medicine" for his research and its impact on the national gun violence debate. He is widely praised in the medical community for his work, while pro-gun groups regularly dispute his findings and conclusions. Wintemute responds by saying, "I can't understand how someone can lie for a living."

Not a crusader

So, is Wintemute some kind of crusader for the abolition of guns in America?

"Nope," he said recently during an interview in his research offices near the UC Davis Medical Center in Sacramento. "With a few narrow exceptions, I don't believe in banning guns." Though not a gun owner, Wintemute says he holds no bias against guns and, in fact, "I used to shoot competitively."

Rather, he says, guns need to be made safer to prevent unintentional tragedies, and their access made as difficult as possible for the perpetrators of intentional ones. What he hopes to accomplish from his fact-based, analytical body of research is to stop or reduce the chances of injury-by-gunshot occurring in the first place.

And the way for him to do that, he explains, is to treat



No elective body has done more to stop gun violence than the *California Legislature*

measure.

Thus, it would appear, the governor is caught between two competing sides on this issue — on the one hand, his natural gun control allies, including Broad; on the other side, his in-born reluctance to allow California to advance any further on gun control.

Besides licensing and registration, lawmakers also appear primed to examine, and later write into law, technical advances in gun tracing and

safety. Last October, state Senator Adam Schiff, D-Pasadena, conducted a hearing in Burbank where several such ideas were explained to interested officeholders and other policy makers. From experts and advocates, such as Sacramento's Dr. Garen J. Wintemute, who studies gun violence as a public health menace, Los Angeles Police Chief Bernard Parks and Tolley, the lawmakers heard how "smart guns," using computer chips

and transponders, can allow only the authorized user to fire a gun. And how devices have been developed that stop a gun from going off when, with its magazine removed, a round remains in the chamber, a cause of accidental shootings.

Another technological advance, recommended to lawmakers at the Burbank hearing by L.A.'s police chief, is so-called ballistic fingerprinting as a crime investigation tool. A handgun,

gun violence as a public health problem. The epidemiological approach to reducing gun deaths is fairly common now, practiced widely at federal, state and some county government levels.

But until a couple of decades ago, analyzing gunshot injuries in the same light as a flu epidemic was rare in the annals of medicine. Among its early practitioners was Garen Wintemute.

Born and raised in Long Beach, Wintemute, a high school whiz-kid, went to Yale and "almost flunked out." He improved at Yale, barely got into UC Davis Medical School — and rather spectacularly found his calling. He practiced emergency medicine in a Woodland hospital and wound up running the department. He spent six months in Cambodia attending to "a lot of trauma" suffered by refugees.

Along the way, Wintemute recalls, he was discovering there was more to medicine "than just seeing patients." Political influences often determined levels of care. "I needed to go to a public health school to learn the big picture."

At Johns Hopkins University, studying with instructor Steve Teret, Wintemute realized that the heavy toll from guns he had witnessed in emergency rooms and in Asia added up to "a huge health problem." And yet, even though standard epidemiological methods had been applied to injury and death for decades, "There was no one doing it [consistently] for gun violence."

No magic pill to cure gun deaths

There was a chance, he said, "to make a big difference."

Thus Wintemute became an early advocate of the "interventions"—collecting the data, making the arguments—by doctors to stem the tide of gun deaths in the United States. If the concept of medicine in the service of

gun control is hard to grasp, says Wintemute, look at it this way: "If we were talking about an infection as opposed to a bullet, and we had 30,000 to 40,000 deaths a year, no one would question whether this was a health problem."

The question from politicians that he does not like to hear, Wintemute said, is: What is the one action to take, or law to pass, that would help the most in reducing injury and death from guns?

"There is no one thing," he says. Just as in treating coronary disease "where you go after diet, smoking, exercise and diabetes control all at one time," the same strategies apply to the death-by-gunshot epidemic. Restricting individuals to buying one handgun a month (now in effect in California), recognizing that cheap guns are "starter guns" for kids and reducing their number, using computer data to identify gun dealers who sell to criminals—all should be carried out together.

"We're squeezing the balloon in many places at the same time," Wintemute says, and it is paying off. The "body of work" produced from the public health approach to the study of guns, he says, deserves credit for the reduction in crime in recent years.

Wintemute, who lives alone in an apartment, pulls 12-hour shifts once a week at the UC Davis hospital emergency department in Sacramento. He spends almost half his time teaching and devotes the rest to his public interest work.

The pace pretty much eliminates any kind of private life, he says, but it also makes him a "very lucky guy." He takes a lot of satisfaction from his contributions to reducing gun deaths and is one doctor, it seems safe to say, who can be counted on to continue "squeezing the balloon" indefinitely. 🏠

Max Vanzi is a freelance writer living in Sacramento. Comments may be sent to edit@statenet.com.

before being released to its first buyer by a dealer, would be test-fired. A computerized profile of its ballistic characteristics would be recorded and filed. Using a computer match of ballistic evidence gathered at a crime scene—a casing, a spent bullet—with that of gun records on file, investigators could possibly pinpoint the dealer and identify the first and perhaps subsequent buyers of guns used in crimes.

That kind of gun tracing, said Parks, “is worth its weight in gold” but it requires legislation to capture information on the universe of guns in circulation.

When gunfire hits home

Answering Parks’ call, Assembly Speaker-elect Bob Hertzberg, D-Sherman Oaks, has introduced a bill this year to explore ballistic fingerprinting in California, allowing the attorney general two years to determine if the system would work.

Technically, argues Hertzberg, “I don’t see this as a gun bill. I see this as a crime-fighting bill.” He says it “fits right in” with the March ballot proposition calling for bond funds to upgrade forensic facilities for law enforcement.

Ballistic fingerprinting is another subject on which Clinton wants to forge ahead. But whether Davis wants to follow suit is an issue that only time and the governor’s finger in the wind will tell.

Meanwhile, the Legislature continues getting reminders of gun violence close at hand, and occasionally too close. Assemblyman Jack Scott (D-Altadena) lost a son and Assemblyman Scott Wildman (D-Los Feliz) almost lost a sister to senseless gunfire. While he was Assembly speaker, Lt. Gov. Cruz Eustamante complained that he had to hit the floor with his family, in his own Fresno home, when the sound of random gunfire came from the street.

And just last January, Assemblyman Tom Torlakson, D-Antioch, got a call informing him of a shooting in a Sikh temple in his district that stunned the legislator and his staff. The victim was the father of Satinder Malhi, an intern in Torlakson’s district office.

The circumstances of the shooting showed that, for all the new legislative activity in controlling firearms, it’s a dubious proposition that the gun, even the dreaded assault gun, will ever go away completely.

Ajmer Singh Malhi was killed with a Bushmaster AR15, an assault rifle with characteristics that banned it in California as of last January 1.

But not this AR15.

Torlakson’s staff discovered that Malhi’s killer bought the weapon from an authorized dealer a few weeks before the ban went into effect, a purchase that was perfectly legal. 

Max Vanzi is a freelance writer in Sacramento. Comments may be sent to edit@statenet.com.

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The guns in

Facts and figures

"Gun ownership is up, crime is down. What does that tell you?"

— Steve
Helsley,
NRA lobbyist



▷ From 1990 through 1998, 41,656 Californians died from

gunshot wounds. The toll peaked in 1993 at 5,446 and dropped by 1998 to 3,333, an annual total slightly less than deaths from motor vehicle accidents.

▷ California logged 513,419 legal gun sales in 1999, the highest since 1993. The upsurge came at year's end, attributed in part to fears of Y2K chaos and efforts to beat a new ban on assault weapons.

▷ In 1997, gunfire was the cause of death for 1 of every 10 youths who died in California that year, including homicides, suicides and unintentional shooting deaths. Until crime rates began falling in recent years, firearm homicide



was the single leading cause of death for those 20 years and younger.

In California's 1998 homicides, a gun was used 69% of the time. Nationally, the pattern was the same, with killers using a handgun rather than a rifle or shotgun 8 out of 10 times.

▷ Medical costs for treating gunshot wounds in California came to \$127 million in 1996, or about \$19,000 per patient, with more than half those patients treated at public expense. When such factors as lost productivity are counted, annual costs rise to the billions.

▷ Nationally, there are roughly



210 million guns in private hands; California accounts for an estimated 26 million.

In California homes where a resident fatally shoots someone, only one in 10 times is the victim a stranger. In all other cases, the victim is someone known to the shooter — a spouse, friend or relative.

▷ U.S. firearm murders from 1994 to 1997 took more American lives than battlefield deaths during the nine-year war in Southeast Asia: 51,000 vs. 46,000.

▷ In the mid-1990s, about 6.5 million Californians, or 30% of the adult population, kept a gun in the house, compared to about 40% nationally. In one out of four California households where a handgun was present, those firearms remained loaded and in unlocked locations.

Sources: Assemblyman Jack Scott; Attorney General Bill Lockyer; Bureau of Alcohol, Tobacco and Firearms; California Department of Health Services, Epidemiology and Prevention for Injury Control (EPIC) branch; California Department of Justice, Firearms Division and Criminal Justice Statistics Center; Centers for Disease Control and Prevention; Children's Defense Fund; FBI; Handgun Control; Journal of the American Medical Association; Los Angeles County Department of Health Services; National Rifle Association; UC Davis Dr. Garen J. Wintemute; Women Against Gun Violence; Youth Alive.

gun facts



> About half a million married women in California are not aware, or do not report, that they live in a house where a gun is present.

> When a gun is on the premises during a domestic violence incident, the chances of a death occurring are 12 times higher than if no gun is available.

> Overall, a gun in the home increases the risk of death to occupants 2 to 3 times, and in the case of suicides, up to 5 times.

> Three years ago, between 5% and 10% of juvenile males across the country reported carrying a handgun, in public or to school. Among gang members, 30%-50% reported carrying a gun.

> The number of California's licensed gun dealers has dropped by half in recent years. But the 4,500 remaining still exceed the number of McDonald's restaurants by about four to one.

> Half of all guns used in crimes, when traceable, come from fewer than 1% of the nation's 77,000 licensed gun dealers.

> Deaths due to gun violence are decreasing for all age groups in Los Angeles County, from a peak of 2,168 in 1991 to 1,236 in 1998. But in 1997 and again in 1998, the numbers were creeping upward for one group—kids 14 years and under.

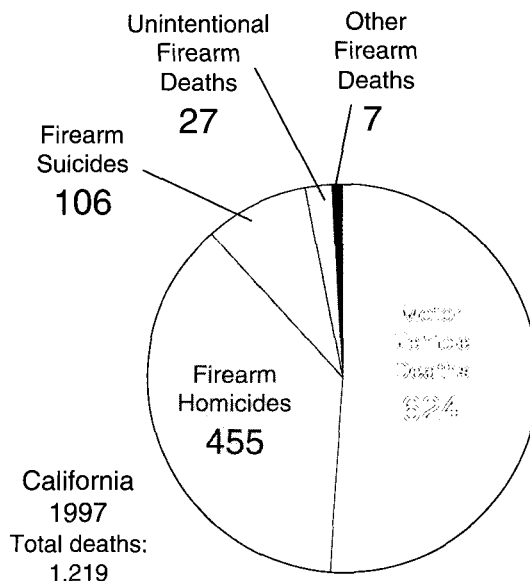
> In 1997, three children a day were killed or severely injured from gunshot wounds in Los Angeles County.

> Gang-related homicides have decreased 35% in Los Angeles County since a high was reached in 1995. But that still left 452 dead in 1997.

gun facts

— Compiled by Max Vanzi

Firearms vs. Motor Vehicle Deaths Among Victims Under 20 Years Old



The economic lining to



By Cynthia H. Craft

If California's big, bad anti-gun laws are so tough, how come the gun industry isn't up in arms? Some see a sheep in wolf's clothing in the new legislative package. Others detect the scent of greenbacks.

silver gun laws



o the mainstream gun industry, California's 1999 gun-control package — hailed in media reports coast to coast as trend-setting and groundbreaking — is about as onerous as Casper the Ghost on Halloween. In fact, there are aspects of the reforms that may strike some gun makers and sellers as downright friendly.

For one thing, though Governor Gray Davis gave a distinctly different impression in his State of the State address, the package doesn't even go fully into effect until 2002, the last year of Davis' term. And the two laws that made it onto the books January 1 helped spark a run on guns of the sort not seen since 1992, when the Los Angeles riots rocked the state.

Once again, unintended consequences are overtaking Sacramento's best intentions. As a result, instead of punishing the gun industry for the proliferation of deadly weapons on California's streets, the reform package has ushered in a banner season not

only for anti-gunners seeking new laws but for some in the firearms business, too.

"Everything we've been told by distributors indicates that gun sales have tripled in the last year," said Ed Worley, the National Rifle Association's grass-roots coordinator in California. "People are just smokin' their credit cards."

At the Great Western Gun Show late last year in the greater Los Angeles region, after county supervisors tried but failed to block organizers from selling guns on public fairgrounds, the NRA signed up new members by the busload — 1,703 during that single event, Worley said. "Memberships are skyrocketing. We don't even have to advertise."

No wonder California's gun industry does not seem too terribly up in arms over the flurry of new regulations, codes and restrictions flying out of the state Capitol. Each new crackdown is capable of inspiring a consumer base of

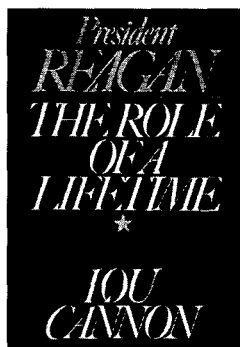


Tickets to NRA fundraisers in the Mother Lode are hot sellers, according to local gun sellers.

rugged individualists ready to whip out their wallets to affirm their Second Amendment rights. Truth is, it would take some mighty severe new laws to strip the silver — and gold, and greenback — linings from these gathering clouds.

In Southern California, some manufacturers and sell-

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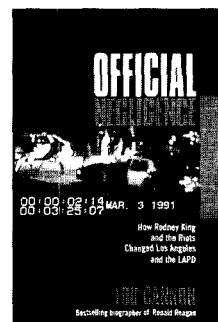
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ers "are doing very well, thank you," said Bruce Jennings, president of B.L. Jennings, a distributor for two such firms. But others of these so-called "Ring of Fire" companies near Los Angeles have gone out of business. "My wholesale company has sold 18,000 guns so far this year — about double the rate we usually do."

ever," says Bob Gilmore, a sales clerk at the Big Horn Gun Shop in the Sierra foothills town of El Dorado. "And the last week was probably our best week ever."

Big Horn owner Flynn Fahlbusch agreed. "The thing of it is," he said, "when you tell anybody they can't have something, it makes them want it more."



The crew at Big Horn Gun Shop talks politics. Shown from left are Carl Christoffersen, Flynn Fahlbusch and Bob Gilmore.

Reverse psychology is part of what is moving the market, Jennings said. "People are reacting to the thought that if you don't get it now, you'll never be able to get it. It's like when they run out of Furby's at the mall. Then you gotta have a Furby."

Over the holiday spending season, the gun zooming off the shelves before you could say "supply and demand" was the so-called assault, or large-capacity, weapon that lawmakers are attempting to ban for the third time — twice on the state level, once on the federal level.

If merchants weren't so irked by it on general principle, they might have hailed the assault-weapon measure as they did Y2K fever — or any such free hype spurring a bump-up in business.

In the decade since the first such ban, the Roberti-Roos Assault Weapon Control Act of 1989, gun owners have scooped up thousands of the high-powered firearms. Late last year, the state funded a buy-back campaign to get as many as 15,000 of the cheapest, shoddiest assault weapons sold during that period off the streets. Though the Legislature put up \$1.4 million, offering to pay \$230 apiece for firearms that originally cost about \$150, only a few hundred gun owners turned them in by December.

Meanwhile, sales were also being fueled by gun collectors trying to beat the one-handgun-a-month restriction that became law January 1.

"Absolutely, the month of December was our best

manufacturers such as Smith & Wesson will be poised to fill the market void with newer, costlier, top-of-the-line handguns.

The fourth cornerstone of the gun-control package — a trigger-lock requirement scheduled to kick in during 2002 — has its pluses for firms that get into position to profit. To discern how it could help the bottom line of the industry, consider the perspective of Jennings, the wholesale dis-

Creating new markets

As for the new law targeting "Saturday night specials," handgun control advocates in the Capitol may have been surprised that no weapons manufacturers tried to block its passage. That lack of opposition, in part, enabled state Senator Richard Polanco (D-Los Angeles) to shepherd the bill through the Legislature with relative ease.

The law's advantages to upper-end manufacturers were obvious. These firms can look forward to selling more expensive, reliable guns to consumers in place of the cheap, often hazardous, pistols the law aims to squeeze out.

Starting in 2001, handguns will have to pass a series of safety tests, including drop tests, to win state approval for sale. Experts expect fly-by-night makers of these guns to fold their cards and close up shop instead of submitting their products for rigorous testing. The result will be that mainline

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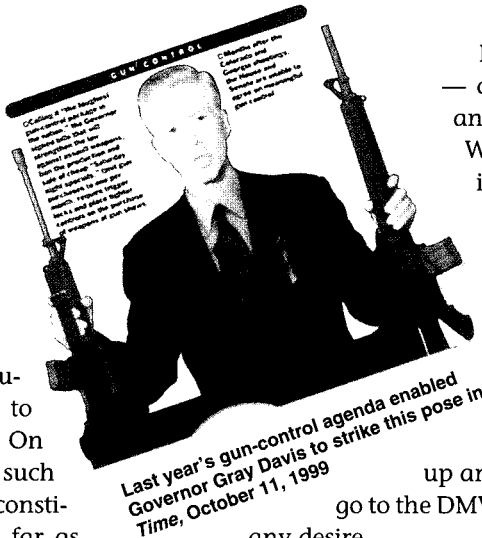
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tributor in Southern California. "Five years ago, I bought thousands of trigger locks and couldn't get anyone to buy them," he says. "I bought 15,000 steel cables with the locks attached. No one bought them. I can't make any money selling locks." You can bet the market outlook will change for Jennings in due time. Same goes for the Master Locks Co., a supporter of the trigger-lock law.

All this is not to say that the gun-enthusiast community views legislative efforts to curb the availability of weapons benignly. On the contrary, gunners universally regard such legislative actions as infringements of their constitutionally guaranteed freedoms. But, "As far as business is going, they are probably not going to hurt us," says Gilmore. "These are some silly new laws."

The licensing and registration proposals currently kicking around the Legislature are another matter. News that folks might have to register their firearms annually, just as they do their motor vehicles, is raising hackles all across the countryside, playing into organizing efforts of the NRA. Tickets to local fundraisers for the Friends of the NRA are selling out fast in El Dorado, Yolo and Amador counties, reports Gilmore. The Calaveras County chapter scheduled an unprecedented two "Friends" fund-raising dinners back-to-back. Both sold out.



It is at these community functions — and before civic organizations up and down California — that the NRA's Worley tosses his best pitch: Licensing regulations are but a precursor to a greater evil, he tells his audience. Next thing you know, the state will create another Department of Motor Vehicles-sized bureaucracy, this time aimed at tracking gun owners and their weapons. "All I have to do is go to any Rotary Club and stand up and say, 'How many people want to go to the DMV today?'" Naturally, no one shows

any desire.

Back at Big Horn Gun Shop, where the management likes to toss around Keystone Kops-style stories about state authorities trying to enforce the ever-amorphous assault weapon ban, there is a depth of understanding for Governor Davis' stated opposition to any more gun-control legislation. "He's already pissed off the teachers and the Indians," says Gilmore. "Why go for the gun owners, too? He oughta slow down a little." It'd be hard to find a more astute political analysis than that. 🏛️

Cynthia H. Craft is managing editor of California Journal. Comments may be sent to edit@statenet.com.

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11 NEWS

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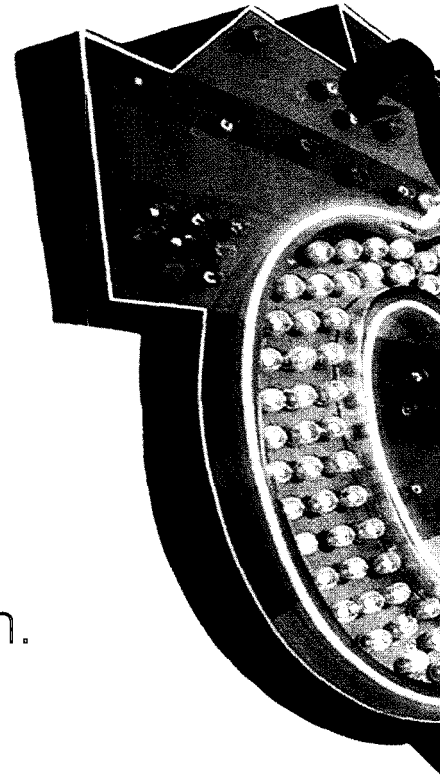
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ELECTRONIC REPRODUCTION PROHIBITED

Internet gambling hits the jackpot

It's illegal, but wildly popular. As cyberspace casinos attract gamblers in droves, lawmakers across the country are increasingly alarmed by the Internet's potential to lure gambling addicts and underage gamblers. But here in California, few politicians are paying attention.



By Claudia
Buck

They lure gamblers with enticing names such as "Virtual Vegas" and the "Lucky Nugget." They offer appealing promises, vowing to "pay out more than required by Nevada...No Bull!" And perhaps most tempting of all, these gambling meccas are as close as the nearest computer screen.

Like a Stealth bomber gliding beneath the political radar screen, Internet gambling has quietly exploded "practically overnight," according to a recent federal study of gambling nationwide.

Although it's attracted only scant political attention, particularly in California, cyber-wagering has netted gamblers in droves. And mainly because it's made gambling so easy.

At the click of a mouse, players sitting at home—or even at work—can simply open a credit-card account and enter a world of virtual casinos, sports-betting parlors and lotteries.

"Globally, it's a pretty overwhelming problem," said Stephen Hardy, Senate Governmental Organization Committee consultant. "It's gambling that's ripe for abuse because all someone has to do is go online with a credit card and call up a casino."

And those casinos are proliferating at a dizzying pace. According to the



National Gambling Impact Study Commission, which recommended to Congress last year that Internet gambling be banned, there were some 190 Internet gambling sites in operation as of May 1998. Today, less than two years later, there are an estimated 600, offering every type of betting from bingo to baccarat.

And their revenues have hit the jackpot, doubling annually in recent years, according to several studies, and were expected to top \$1 billion in 1999.

That trend has alarmed lawmakers and others around the country

who are concerned that Internet casinos will encourage underage gambling, exaggerate problems for compulsive gamblers, and drain state and local coffers.

"There is no way to stop it or block it," said I. Nelson Rose, a Whittier College law professor and expert on gambling law. "You cannot un-invent an invention (the Internet computer system) that was designed to withstand a nuclear war." Rose believes it's

more dangerous than other forms of gambling "because it enters the home and there's less ability to control it."

Rose and others contend that Internet gambling is particularly insidious in luring pathological gamblers. "Internet gambling feeds into the compulsive gambler's need to gamble secretly or hide the amount of gambling he or she does," said Tho-

mas Tucker, executive director of the California Council on Problem Gambling. "It'll never replace live gambling—the lights, sounds, whistles and bells—but it's a big problem because the number of Internet sites has increased so rapidly."

Although lawmakers in four states have passed Internet gambling prohibition acts, and a handful of other states are contemplating legislation to clamp down on cyber-wagering, California has lagged behind.

One committee consultant said

there's an awareness within the Capitol of Internet gambling's potential problems but most lawmakers have adopted a "wait-and-see" attitude, anticipating action at the federal level.

However, Assemblyman Herb Wesson (D-Los Angeles), chair of the Assembly's Governmental Organization Committee, said he's in the midst of putting "meat on the bone" of possible legislation that would ban Internet gambling in California.

"My main concern is that certain types of gambling, like roulette and

craps, are against the law. We forbid it. But Internet gambling is making those games available in California," said Wesson. He's also concerned that "these offshore casinos don't provide any jobs to Californians, we don't receive any state revenues, and there's no way for us to regulate it."

But policing cyberspace is a tricky task, as Wesson acknowledged.

Wesson is seeking a legislative counsel's opinion on the legality of possible measures, such as discouraging credit card firms from doing business with offshore Internet gambling companies.

"The fundamental problem with Internet gambling is: 'Who's in charge?'" said Nathan Barankin, spokesman for state Attorney General Bill Lockyer. "There's no clear-cut case law or congressional direction about what the rules are or who's responsible for enforcing the rules."

Lockyer's office was asked recently to prosecute Internet gambling companies on the grounds that they're offering gambling that is prohibited by the state's constitution.

The request was made by the California Gaming Association, representing more than 150 California cardrooms, who view Internet gambling as an unfair, unregulated competitor.

"It's so crazy that horse-racing and cardrooms are so regulated and operate under such strict laws but any 'schmo' with a Web site can offer gambling over the Internet," said Rod Blonien, the cardrooms' Capitol lobbyist.

"There's no question that they're unlawful," said Blonien. "We need to have law enforcement take a look at shutting them down."

But Lockyer's office is taking a wait-and-see approach, pending attempts at the federal level to ban Internet gambling.

Because casino gambling is prohibited in most states, all Internet casino sites are technically operated offshore in some 30 countries, from Antigua to Venezuela. (Although their computer servers are located on foreign soil, many companies are believed to operate from the U.S.) Some

Increase in Internet gamblers, 1997-1998

14.5
million gamblers



1998

6.9
million gamblers



1997

Increase in Internet gambling revenue, 1997-1998

\$651
million



1998

\$300
million



1997

Source: Sebastion Sinclair (Christiansen/Cummings Associates)

— Stephen Hardy,
Senate Governmental Organization Committee

Internet casinos pay a fee to be licensed in their home countries, but most undergo little, if any, regulation.

"Online gambling must be stopped before it develops any further," said Republican Congressman Bob Goodlatte of Virginia, whose Internet Gambling Prohibition Act would slap fines and jail time on anyone convicted of running an Internet gambling casino. His bill, H.R. 3125, passed a House Judiciary subcommittee in November.

In the U.S. Senate, Republican Senator Jon Kyl of Arizona won a unanimous vote on his bill to outlaw Internet gambling. It now goes before the House Judiciary Committee.

Currently, a 1961 federal law prohibits interstate gambling on sports by wire or phone. Kyl's bill would expand the so-called Wire Act to include all forms of gambling via computers and the Internet.

"Internet gambling is unregulated, accessible by minors, addictive, subject to abuse...like money laundering (and) evasive of state gambling laws," the senator said. "We need to close the loopholes that have allowed this activity to flourish."

Kyl said he is particularly concerned about children exposed to online gambling. "Children can access Internet gambling sites on the family computer, wager with Mom's credit card, click the mouse and bet the house," said Kyl. "College youth are especially at risk with ... gambling available on virtually every college campus."

That same concern with underage gamblers also was expressed in the national gambling commission's findings last summer, in part because kids are among the most avid users of computers. "Given their knowledge of

computers and familiarity with the Web, young people may find gambling on the Internet particularly appealing," the study concluded.

The report also warned that the anonymity and "high-speed instant gratification" of Internet gambling may exacerbate addiction by problem gamblers. "Shielded from public scrutiny, pathological gamblers can traverse dozens of Web sites and gamble 24 hours a day," the report noted.

An addiction expert from Harvard Medical School, Dr. Howard J. Shaffer, testified that the Internet offers a new route to gambling addiction. "Assuming crack cocaine changed the cocaine experience, I think electronics is going to change the way gambling is experienced," Shaffer said.

Although California has not pursued Internet gambling, legislators in

other states, such as Pennsylvania, Illinois and New York, are attempting to pull the plug.

New York state Senator William Larkin, chair of that state's Racing, Gaming & Wagering Committee, considers it an economic issue. "We send more gamblers to Las Vegas and Atlantic City than any other state," said Larkin's spokesman Mike Murphy, "but we don't see one nickel of those gambling revenues for our schools. The Internet just exacerbates the problem and puts more gambling dollars in the hands of Antigua or Barbados (countries where online casinos operate)."

The Republican lawmaker has three bills designed to clarify New York's stance on cyber-wagering, including one that deems it a felony to make online gambling accessible to minors.



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"We have no intention of penalizing the adults who access the Internet Web sites to place wagers," said Murphy, "but for companies that break New York state law by providing a constitutionally prohibited form of casino gambling, we want to make it clear that those activities are illegal and we will prosecute."

Some Internet gambling companies have taken note of legislative efforts to shut them down. One site, Internet Casino, carries a "special notice" to U.S. citizens on its Web page: "If gambling or depositing funds with Internet Casino...constitutes illegal activity in your state, please do not gamble or deposit funds with us."

For 200 years, gambling debts have been legally uncollectible. "It's been common law in the English-speaking world since 1710," said Rose, an expert in gambling law. "It made sense back then but changes in the law have always trailed behind changes in society."

Today, that law means that Internet gamblers can walk away from

losses they rack up on their credit cards.

One Marin County woman, Cynthia Haines, did just that in 1998 after toting up \$70,000 in Internet gambling debts while playing craps, blackjack and other online games. She refused to pay and her credit card company, Providian National Bank of San Francisco, sued. Haines promptly countersued Providian, along with VISA International, MasterCard International and 50 online gambling casinos. Her lawsuit sought an injunction barring credit card companies and their banks from collecting gambling debts on the grounds that gambling is illegal in California.

Providian subsequently announced it was cutting off credit to gamblers and would no longer process gambling transactions for its 11 million customers.

Another California gambler sued American Express and Discover Card late last year, saying the two credit-card companies promote and profit from illegal online gambling. The

plaintiff, who lost \$25,000 in the summer of 1998 using his American Express and Discover cards, filed a lawsuit after the card companies threatened to sue him to collect payment and ruin his credit report.

Short of an outright federal ban on Internet gambling, many believe the short-term solution may lie with credit-card companies that allow online gamblers to rack up electronic cash and credit for placing their bets.

If credit card companies turn their backs on Internet gambling, the industry could collapse, said Rose. "Anything else is too slow. Without credit cards, online gambling is doomed."

No one knows exactly how Internet gambling will be reined in, if at all, but Wesson believes California may eventually join with those from other states to bring down cyber-wagering. 🏛️

Claudia Buck is an associate editor of the California Journal. Comments on her story may be e-mailed to edit@statenet.com.

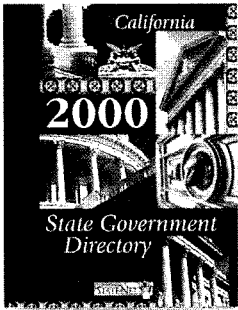
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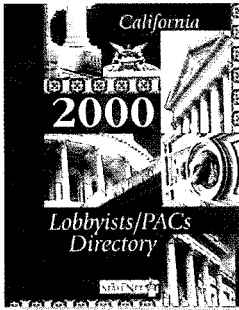
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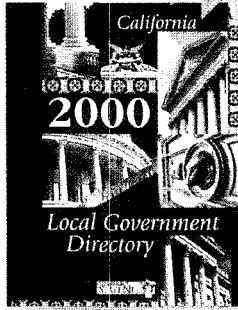
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Immoderate Moderates

here is a *jihad* going on inside the Republican Party in California. The ayatollahs of this movement, however, are not the conservatives who dominate party offices at the state and local level, but, rather, the "moderate" insurgents whose rhetoric and agenda are anything but moderate. Indeed, in county GOP central committee races across the state that will be decided in the March primary, various moderate groups are pouring tens of thousands of dollars and barrels of vitriolic ink into campaigns to unseat incumbent conservatives.

In the Central Coast, for example, an organization called the Mainstream Republicans of Monterey County recently mailed brochures exhorting the party faithful to "Liberate our Party from the Radical Right!" In this case, "Radical Right" translates to conservatives who are anti-abortion-rights. The group seeks to elect a slate of so-called "mainstream Republicans" to the county central committee in order "to unite, not divide the party." Yet, the moderates have a curious notion of the ingredients for a unifying strategy. The group's literature also warns that, "The extremists we oppose are organized and determined" and, "If you don't turn out to vote, those extremists may win by default." Even if successful, this rhetorical hyperbole can hardly promote unity.

Next door to Monterey, in Santa Cruz County, the same scenario is being played out. The leader of the moderates is political consultant Vic Marani, formerly an aide to Democratic state Senator Henry Mello. Marani claims that he is only interested in "nuts and bolts" issues, such as increasing GOP registration, candidate recruitment and fund raising. Yet, conservative central committee chairman Stanley Monteith notes that despite historical Democratic dominance in the region, the central committee has had remarkable recent success in helping elect Republican candidates to congressional and state legislative offices. Further, says Monteith, central committee members "have worked to elect Republican candidates regardless of how they feel about their political views." Indeed, among the area's elected Republican officeholders are moderates such as state Senator Bruce McPherson.

Nevertheless, Santa Cruz moderates have labeled the conservatives as "extremists," leading

central committee member Jack Ward to say, "This campaign of slurs and innuendoes is clearly an attempt to incite division among Republicans."

The biggest offensive being waged by moderates is occurring in Orange County. A moderate group called the New Majority Committee, including Irvine Company head Donald Bren and his right-hand man Gary Hunt, plus developers George Argyros and William Lyon, has built up a war chest of more than \$500,000 for the purpose of taking over the county central committee and dumping its conservative chairman, Tom Fuentes. During Fuentes' successful 15-year tenure, Republicans became dominant at all levels of government in the county. As in the other counties, Fuentes' record isn't the real issue. Despite their superficial emphasis on party building, the moderates are strongly motivated by their pro-abortion rights views. They want any reference to abortion deleted from party manifestos and see Fuentes as an impediment. For his part, Fuentes has attacked the pro-tax positions of his big-business/moderate adversaries. The New Majority Committee states that its members are "fiscally conservative and socially moderate." However, according to Fuentes: "They want to [pass Proposition 26 and] roll back the state's two-thirds vote requirement to pass bond issues and increase property taxes." Fuentes warns that the New Majority Committee "is neither conservative socially, but more important, they're not conservative economically."

In a crowning piece of chutzpah, the GOP moderates claim in their literature that they want to return to the principles and beliefs of Ronald Reagan. In reality, what they want is a return to Gerald Ford, the quintessential status-quo moderate who nearly destroyed the Republican Party. Reagan's dynamic blend of libertarian economic philosophy and championing of conservative social issues was anathema to the moderates but was hugely popular with voters. Regardless of the big bucks the GOP moderate elite is throwing around, if Republicans must choose between a Ford or a Reagan future, is there any real question what their choice should be? 🏛️

Contributing editor Lance T. Izumi is a senior fellow at the Pacific Research Institute. Comments may be sent to edit@statenet.com.

by Lance T. Izumi



Will Republicans
must choose
between a Ford
or a Reagan
future. Is there
any real question
what their choice
should be?

letters

The Latino Century

I enjoyed your January 2000 issue on the Latino Century. But as an American of Portuguese descent, I must point out that Juan Rodriguez Cabrillo was Portuguese, not Spanish. Also, this spelling of his name is the Spanish way, not the Portuguese way.

**Clyde Marsh
Hollister**

Regarding Hispanics in California, a Portuguese sailor, Joao Rodrigues Cabrilho, discovered California in 1542. Mr. Cabrilho was sailing for the Spanish crown – much as Christopher Columbus, an Italian, was sailing for the Queen of Spain when he discovered the “new world” in 1492. But his nationality was indeed Portuguese.

It is unfortunate that the unusual spelling of his name has been corrupted over the years, leading to the erroneous conclusion that Mr. Cabrilho was a Spaniard. Please inform your readers.

**Roger A. Fontes
Sacramento**

I greatly enjoyed your insightful issue on the rise of Latino political power. My one quibble is the absence of Secretary of the Army Louis Caldera on your “People to Watch” list. As the highest-ranking Californian in the Clinton administration, an original leader in the California charter school movement, a centrist New Democrat and the head of a 2.6 million-person organization, Caldera is clearly a rising star both in California and around the country.

**Andrei Cherny
Valley Village**

The “no-party” system

Having been an elected official and taught political science for almost 30 years (and a Journal subscriber for most of that time), I read with interest Steve Scott’s article, “The no-party system.” What impressed me most, frankly, was how little fundamental change has taken place in terms of partisan loyalties and party leader/follower distinctions since my Berkeley graduate days.

Sure, party loyalty has diminished over the past 30 years, but over four out of five voters still rely on their party identification as a guide when

voting. And those who follow political events, even modestly, can easily note important policy differences between the leadership of the two major parties based not on their rhetoric but on their actions (votes and vetoes).

Sure, voters are more moderate (centrist) in their policy views than are their party leaders. What else is new? These leaders have vested interests in the “us vs. them” policy battles and elections, and as a result, party leaders have always been more polarized than their respective followers.

Polls over the past 20 years have consistently shown that 60 to 70 percent of the voters are moderates, constituting what’s called the political mainstream.

Does Scott’s data and discussion validate the article’s title? I think not. Are moderate voters “politically homeless” in California? Hardly! Certainly not those of us who pay enough attention to cut through the election-year puffery and who choose to get off our sidelined butts to make our concerns known on the political playing field.

**Lance Widman
Political science professor
El Camino College
Torrance**

Generation X plays politics

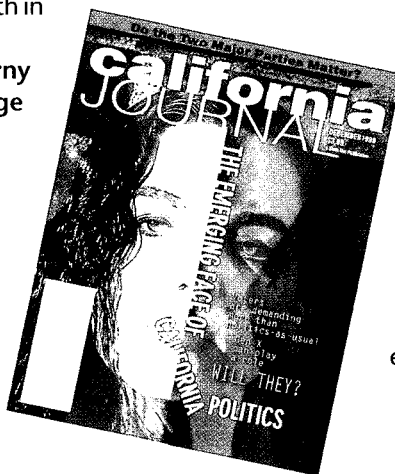
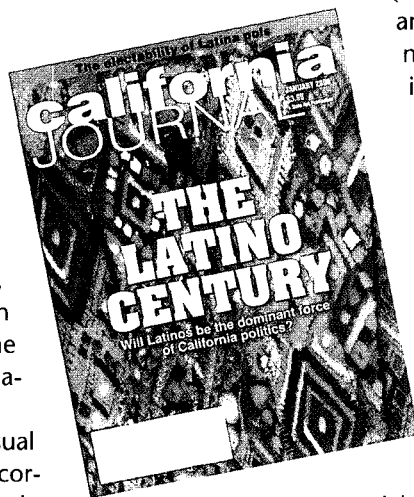
I really appreciated *California Journal*’s coverage of Generation X. Noel

Brinkerhoff’s article, “Gen X: the Unknown Quantity” ranks right up there with Michele Mitchell’s book “A New Kind of Party Animal,” as well as the ground-breaking *Time* magazine article “Twentysomething” published in July 1990. Thank you for not forgetting the importance of Generation X.

**Gamaliel “Gamie” Gamboa
San Diego**

Lance Izumi’s view

Thank you for publishing the great article by Mr. Izumi (“A view of education spending,” December 1999.) It is a relief to be able to compare apples to apples. In the past, it has been apples to oranges.



If Mr. Izumi could just do an article about the various layers of bureaucracy within the many offices of education, the public might receive another wake-up call.

Ralph Miller
Auburn

I would like to echo the complaint of a previous reader's letter about the *California Journal* publishing the commentaries of Lance T. Izumi without a rebuttal or counterpoint opinion. Mr. Izumi's article on education spending is typical of the selective use of statistics to push an ideological agenda. He should know that large chunks of educational spending are left out of the national and state spending statistics as well.

The comparison to international achievement statistics points out the superiority of national educational ministries and the price paid by letting local school boards set educational policy. Some are efficient and effective, others are incompetent and lack the knowledge and skills necessary as demonstrated by the disparities Mr. Izumi quotes and the school boards banning evolution and requiring posting of the Ten Commandments.

It would be surprising if education were the exception to the rule that increased resources are needed for increased productivity.

Does Mr. Izumi apply the same logic to the military or space programs? He also does not mention the legacy of neglect that dropped California's spending and achievement scores in the first place. Governor Davis and public education supporters have begun to address the other issues of standards, teacher training and improvement of infrastructure.

George Cunningham
San Francisco

Thanks to Lance Izumi and his eye-opening facts on government spending on schooling in California, averaging almost \$8,000 per pupil.

This means that for a typical 25-pupil class, the total comes to \$200,000. Teachers cost about \$50,000 per year, including salary, health plans, retirement, substitutes for missing days, etc. The other \$150,000 outside the classroom provides very little direct benefit to the pupils, parents, or society at large – certainly not worth the cost of three more teachers.

It is apparent that the vast majority of money

spent on the California school system is not spent directly educating pupils. The public and its elected representatives need to ferret out these vast sink-holes of tax dollars and plug them immediately.

Carl Olson
Woodland Hills

30 at 30

I'd like to correct a minor error in your November issue, in the section concerning the "ne'er-do-wells." Former state Senator Frank Hill was not ousted by a vote of the Senate.

Senator Hill was convicted on federal extortion charges on June 16, 1994. Because of provisions in the state constitution, a member of the Legislature, unlike other public officials, does not automatically lose office upon conviction of a felony. Following his conviction, a resolution calling for Hill's expulsion by the Senate was introduced on June 22 by then-state Senator Leroy Greene. The resolution was referred to the Senate Rules Committee, where it was heard on June 30 and passed to the floor. Before the resolution came to a vote, Hill resigned (effective July 8, 1994) as Senators (Richard) Montoya and (Alan) Robbins had done previously.

Thank you for your continued excellent coverage.

Greg Schmidt
Secretary of the Senate

In your 30th anniversary collector's edition (30 Influential Californians launch the *Journal's* 30th year, November 1999), I think it is odd that you didn't include the highest-elected black official in California, Mervyn Dymally. He was responsible for changing the political map of California during the 1970 reapportionment, which finally increased Hispanic and black representation among our elected officials. Or for that matter, his predecessor, Augustus Hawkins, the first black elected to the Legislature in 1934.

Maybe you ought to do a second issue with all the names that people write in. Your 30 at 30 edition made me think of dozens of writers, reporters, movie directors and actors, as well as student protest leaders like Mike Tigar and Mario Savio.

Peg McCormack
Washington D.C.

letters



California energy

Whose job is it, anyway?

When economist and former state energy commissioner Richard Bilas became president of the California Public Utilities Commission in 1998, he declared it “the year of natural gas.” After three years of intense focus on deregulating the state’s electricity industry, it was logical for Bilas, a Republican appointee and free-market economist with roots in Bakersfield, to envision the natural gas business undergoing a similar revamping. The only thing wrong with Bilas’ proclamation, as it turned out, was that he failed to fully consult the state Legislature about his vision.

Since the 1996 electricity reform law went into effect, state regulators and the governor have taken a backseat to an empowered state Legislature. Is that in everyone’s best interest?

After all, as electricity restructuring demonstrated quite clearly, it is California’s Legislature that constitutes the state’s new energy policy-makers. In 1996, with former Governor Pete Wilson ostensibly watching from the passenger’s side and state regulators pushed into the back seat, state lawmakers, led by Senator Steve Peace, rolled out the blueprint for reconfiguring California’s \$28 billion electric power industry. In doing so, they usurped the role traditionally held by the executive branch, namely the state’s Resources Agency, Energy Commission and Public Utilities Commission.

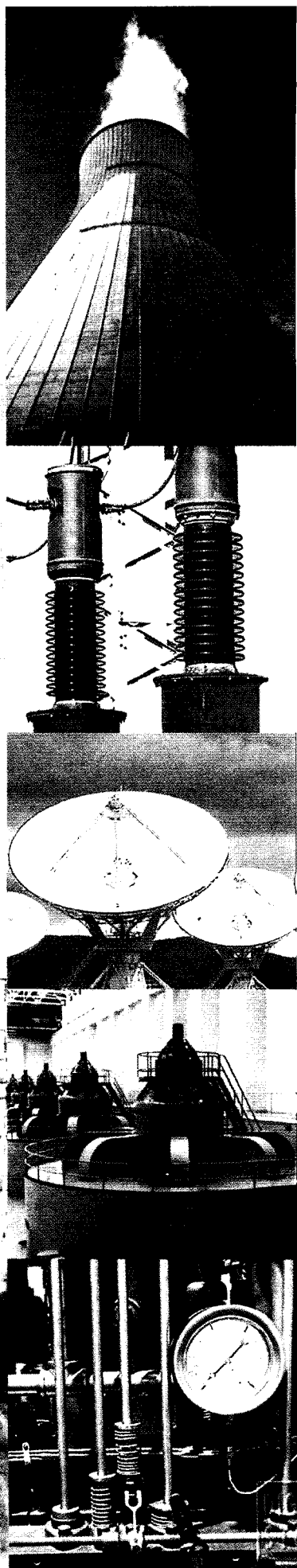
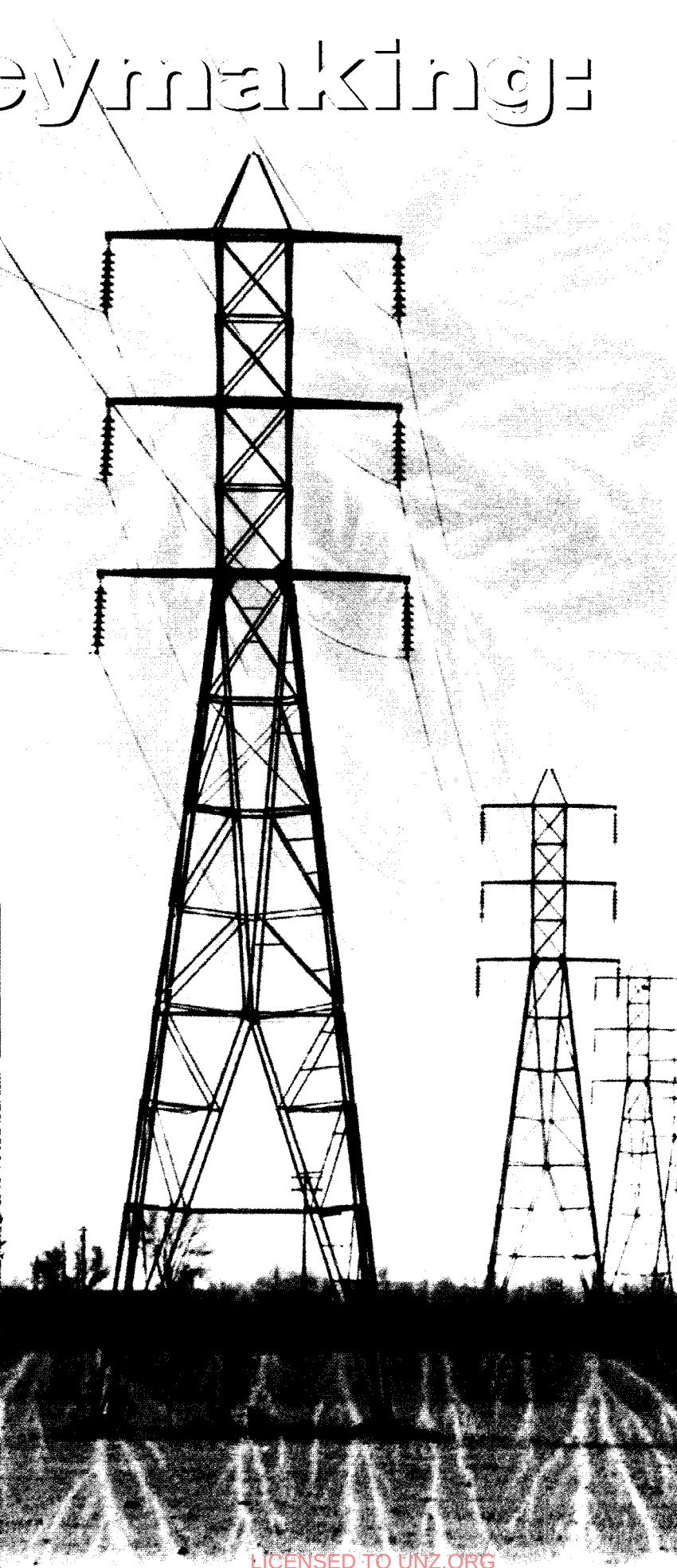
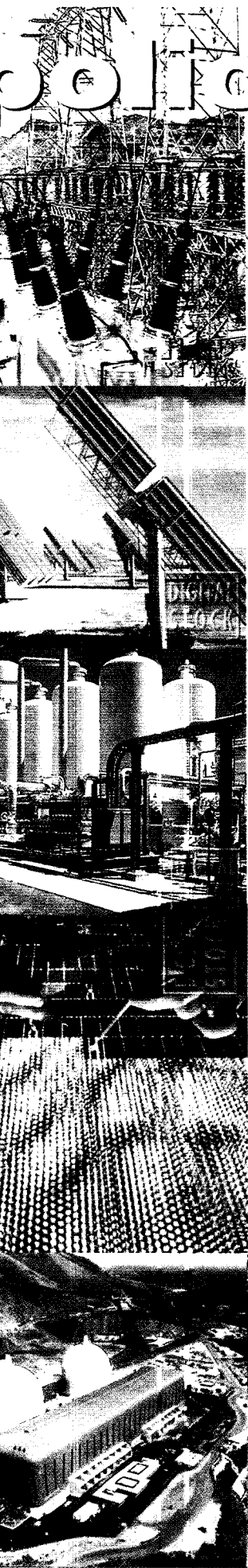
A little more than three years later, some are wondering whether it is wise to hand over to elected officials the responsibility for setting policy on energy, a commodity and infrastructure so essential to day-to-day living, as well as to the state’s economic well-being.

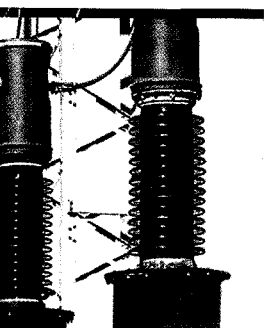
“I think there needs to be some defined leadership coming from the agencies (Resources Agency, PUC and the Energy Commission),” said Gene Varanini, a former state energy commissioner who is now a Sacramento attorney. “They need to really provide alternatives to the Legislature and think them through. They should get out of the reactive mode they are in now.”

Energy policy involves diverse stakeholders: regulators, leg-

By Richard Nemec

politymaking





“In the long run, we are better off in having these kinds of decisions made by the PUC — not by the Legislature.”

— Senator Debra Bowen

islaters, utilities, environmentalists, consumer interest groups, community activists, wholesalers and large industrial customers. The administration, which includes the regulators, attempts to balance all of these constituencies, but does not always do so proactively.

And politics also plays a part. Since both the executive branch and lawmakers pay close attention to the mood of voters, they alternately treat the state's regulators either as allies or enemies (whichever fits politically at the time in keeping voters happy (or at least from being unhappy about their utility service).

Historically, the same tight-knit group — consumers, environmentalists, business and labor — has helped fashion the state's energy policies, with the major investor-owned utilities and their phalanx of lobbyists doing most of the choreographing. Traditionally, the Legislature wasn't so much the initiator as it was the enabler for one or more of these stakeholder groups.

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But much of that changed after the 1996 electricity reform law went into effect. The Legislature has done most of the initiating and all of the enabling, while the executive branch has largely become a spectator. The regulatory bodies — ironically, new ones have been added in the midst of “deregulation” — have been rendered largely subservient and expected to defer most major policy issues to the Legislature.

Deferring to legislators

The new pecking order was evident in January in San Diego at an energy roundtable discussion sponsored by the PUC and overseen by Senator Peace. The PUC's Bilas, among other officials, clearly deferred to the outspoken senator on such arcane issues as how many generating plants could be built on a given site.

But others, including some lawmakers, have warned against placing too much authority for energy policy-making in the Legislature's hands. At a town hall meeting for utility consumers held last fall in the Los Angeles suburb of Torrance, Senator Debra Bowen (D-Marina del Rey), who chairs the Senate Energy, Utilities and Communications Committee, said the Legislature should not become the center of decision-making on energy issues.

“I think in the long run we are better off in having these kinds of decisions made by the PUC — not by the Legislature,” Bowen told her constituents. “And I think that is particularly true in an era of term limits.”

After only one year chairing the Senate's energy committee, Bowen said, “I can tell you that the large telecommunications providers and energy utilities have much more power in the Legislature than they'll ever have over the PUC. And frankly, one of my frustrations is the power and muscle these companies have over members of the Legislature to either override or undercut considered, careful decisions made by the PUC.”

Bowen said it's also a matter of expertise. “Once we start using the Legislature to override the PUC on a regular basis, we will all have to look out below. At that point, we might as well eliminate the PUC, which I think would be a huge mistake, particularly in an era of term limits when the Legislature does not consistently have the expertise to deal with some hundreds of issues that the PUC has to decide.”

Robert Michaels, a California State University, Fullerton, economics professor who has studied utilities throughout his 30-year career as a consultant and professor, notes that most parties — not just big business — have felt in recent

years that "they could get a better hearing in the Legislature" than from the PUC. But with term limits preventing any long-term expertise to build up among legislative committee members, Michaels believes it may be critical to shift away from relying too heavily on lawmakers.

"If the Legislature is becoming more inexperienced, then you may want to do more through the PUC," Michaels said. "If I were a utility or any other big player, I might want to take my chances with the regulators in a hearing, where I know I will be heard, where there will be the trail of an evidentiary record and where there is still a settlement process underlying it. That might be preferable to braving the uncertainties of (dealing with) the Legislature."

One of those uncertainties is how much focus the Legislature – and the governor – will give to energy issues.

"(Last) year was most important for what did not happen in the state Legislature, rather than what did happen, and those issues will be back to us (this year)," said Sacramento lobbyist Karen Edson, a former state energy commission member. Speaking at a seminar on California's electricity restructuring last fall in San Francisco, Edson said "I think '99 was a period of transition, and this was most clear in the governor's office where we transitioned to a new governor, one whose views on energy and utilities are really uncertain. What we do know is that energy is not education."

The governor's cautious approach to that transition is still being felt, particularly for the energy commission and the PUC. Both commissions have a majority of members who are Republican holdovers, but the governor does not appear to be in any hurry to name new appointees.

"There seems to be no rush to fill the vacancies," lamented one administration insider, noting that the need for a quorum on some of the commissions has caused the governor to name temporary appointees, which occurred during his first year with a vacancy on the PUC board.

In the past, the relationship between PUC staffers and state lawmakers was often tenuous at best. Capitol veterans remember when, if the Legislature proposed to change the PUC code, the PUC's five commissioners would remind everyone of their agency's constitutional charter, and thus, its relative autonomy. Subsequently, the legislative proposal would be dropped or killed in committee. In recent years, many of the PUC's commissioners had a reputation for either ignoring or acting arrogantly toward lawmakers.

Since becoming PUC president in 1998, Bilas has tried to mend fences with lawmakers, although he has been only partly successful. A law rammed through the Legislature last year to block the PUC from further opening up the natural gas industry is an indication of his limited success. Another factor is that Bilas is a Republican appointee dealing with a Democrat-controlled Legislature and a Democratic governor.

The advent of the electric deregulation law and subsequent regulatory actions all envisioned a slimmed-down, less pervasive group of monopoly utilities, which were redefined as mostly transporters of electricity (so-called "wire" companies). Having divested most of their non-

nuclear power plants and facing competition from new retailers of electricity and related services, the utilities' well-recognized market advantages were expected to be negated. But that hasn't happened, for a variety of reasons.

Leveraging legislators

Indeed, if the state's energy regulators have been on the hot seat about opening up electricity and gas to competition, the investor-owned utilities (IOUs) have been in a veritable catbird's seat, able to leverage customers against regulators and legislators. Ultimately, California's big three among the electric IOUs (Pacific Gas and Electric Co., Southern California Edison Co. and San Diego Gas and Electric Co.) have managed to acquire a multi-year transition to more market-based regulation, rather than following a quicker transition favored by California's regulatory agencies.

An executive with an out-of-state-based national energy services provider (ESP), who has worked in all aspects of California's energy industry, believes the new competitors simply don't have "enough juice" to change legislation that California utilities got passed to help slow the transition to fully competitive electricity markets.

"All the ESPs are struggling, and the reason is that the utilities – our main competitors – collect most of their fixed costs through non-bypassable distribution charges," says the ESP executive, noting it makes it difficult for a new firm to stay in business.

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"Other states (such as Pennsylvania, Connecticut and New Jersey) that have made a commitment to competition have separated out those costs in a way that is much more comparable so competitors can come in and compete with utilities," he noted. In California, he said, the state hasn't gone far enough in allowing customers a true retail choice.

He sees the Legislature holding the decision-making reins, dominated by the influence of the monopoly utilities, for at least the next few years.

"It is ironic when you look and see that deregulation has provided a regulatory landscape that appears to be more complicated than the one we left behind," says the PUC's executive director, Wes Franklin, a 25-year administrator at the San Francisco-based agency, who says the relative roles of the PUC and the state energy commission have become "muddled" since the electricity reform law was enacted. "I'm not sure in our case that deregulation simplified anything," Franklin said.

From a socio-economic standpoint, the California Legislature's role in revamping the utility industry could serve as a political science textbook case. Elected officials did not get involved until the utilities' largest customers and the state's largest businesses began making noises about reform in the mid-1990s. At the time, California's electricity rates were more than 50 percent above national averages, which many feared would drive big employers out of state.

California's move toward restructuring succeeded in

stimulating a robust wholesale market, allowing large customers to cut their own deals for power with generators or marketers. But it has not accomplished that same cost-savings for residential customers.

But cutting costs to consumers, large and small, was not the reason for deregulation, according to Peace. Earlier this year at the PUC's roundtable, Peace emphatically and repeatedly stated that the electric deregulation law was enacted for only one reason — reliability. Lower prices and more competition had nothing to do with it, he said.

Nudging the governor

"The purpose of the act — not 80 or 90 percent — but the purpose was to improve California's system reliability (following two widespread electrical brownouts along the Pacific Coast just weeks before the law was passed)," Peace reiterated.

Ultimately, there are two energy policy areas in which the Legislature will always maintain a strong interest: safety and reliability. Here is where the tension between lawmakers and regulatory agencies will likely be strongest as state agencies and private utilities try to nudge the Davis administration into a more active role in energy policy.

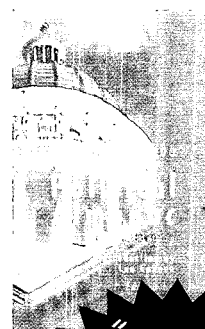
The governor still seems overly cautious, judging from the public performance earlier this year of his latest appointee to the PUC, Loretta Lynch, an attorney who previously headed the state's Office of Planning and Research as a Davis appointee. She was noticeably quiet at the January

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PUC roundtable and deferred questions about the governor's future energy policies to his press office.

The governor has identified "infrastructure" in his new budget proposal as the next hot topic after education. Under this broad umbrella falls the state's Resources Agency, which oversees energy issues. With environmentalist Mary Nichols heading the Resources Agency, the Davis administration is expected to concentrate on a broad-based inventory now underway of California's natural resources — air, water and land.

"Energy is certainly one of those things we will look at, although there is a greater emphasis on other types of things as we attempt to build a status report on resources to determine how they might be threatened in the future," according to Jim Boyd, an assistant secretary to Nichols and a former executive director of the Air Resources Board. "There is a lot of effort right now to look at issues of reliability and supply when it comes to energy."

The bottom line on whether the administration is going to recapture its leadership role on energy policy, according to Boyd, is that "there is no giant strategic plan as it relates to electricity underway, aside from all these various reports that are being provided. The heavy emphasis is on the traditional water, land and environmental issues."

Ultimately, it remains to be seen whether economics or politics will drive the state's energy policy decisions. The grand experiment of bringing more consumer choice and

competition to the energy industry is only half-fulfilled.

Absent the Davis administration taking the lead on energy policy-making, it will fall by default once again to the Legislature. If the Legislature has the lead, some political observers predict that the state will return to energy policies that are geared more to monopoly-power, regulated utilities. And decisions may be made that are based more on politics than economics.

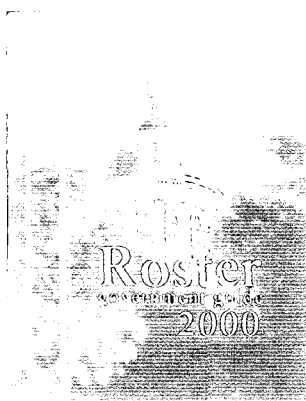
Varanini, the former state energy commissioner, fears this already is happening. Too many of the current "de-regulated" methods for determining electricity prices and transmission operations are done in a "political context," he says. That means that what is determined as a "fair price" is always subjective (varying among different interest groups), instead of being arbitrarily set by an open, free market.

Varanini believes California has two years to get its energy systems "de-bugged" and begin to address statewide policies for the long term. That will only happen, he says, if there is "a mature relationship between the (Davis) administration and the Legislature."

The key question remains: Who, if anyone, is trying to build that relationship? 🏠

Richard Nemec is a Los Angeles-based writer who covers energy for several national trade publications. His last article in California Journal appeared in the February 1997 issue. Comments may be sent to edit@statenet.com.

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An energetic Pelosi revs it up

Spend a few moments inside the U.S. Capitol with San Francisco Congresswoman Nancy Pelosi and you will understand why she is the odds-on favorite to be the next Democratic whip.

This is a woman who does not sit still. She flies off to a fundraiser in Hawaii in the afternoon, and returns on the red-eye without even cracking open a bottle of sun screen. She can leap from an explanation of Chinese weapons proliferation to the prospects of Democrats recapturing California's 27th Congressional District.

And, after 13 years in the House, she is poised to become the most powerful woman in the history of Congress.

"The time has come. The opportunity is there," Pelosi said in a recent conversation. "I have been a slugger and a fighter and an advocate.... I really am ready for this."

The whip's official duty is to count and deliver votes, the name evolving from the crude image of using whatever tool is necessary to keep members in line. Over the years, the position has evolved into a high profile platform used as a bully pulpit.

It is a position never before held by a woman, and one that some believe could put Pelosi on a trajectory to someday become speaker. While the prospect of adding a woman to the ranks of Democratic leaders clearly works in Pelosi's favor, she talks more forcibly about geography than gender as a credential.

"It is in my view almost unthinkable that California would not have somebody in top leadership in the Congress," she said.

California Democrats have been without a voice in the House leadership since Sacramento's Vic Fazio retired in 1998. Fazio served as chairman of the Democratic caucus, the party's No. 4 post. In 1976, San Francisco representative Phil Burton came within a vote of becoming House Majority Leader, but was topped by Texas' Jim Wright, who went on to become speaker.

Unlike Sacramento, where term limits have made leadership posts a revolving door for the young and restless, Washington rewards longevity and persistence. Michigan Representative David Bonior, the Democrats' current whip, is serving his 24th year in Congress.

But the stars are aligning just right for Pelosi, who has represented San Francisco in the House since 1987. Were Democrats to win control of the

House, Minority Leader Richard Gephardt of Missouri would likely become speaker, and Bonior likely would be elevated to majority leader.

That would leave an opening for the No. 3 slot, and Pelosi has embarked on a systematic campaign to capture it.

The first step is to win a Democratic majority. The Democrats need six seats, and Pelosi believes that four of them can be won in California. From her Pacific Heights home, Pelosi is raising money for Assemblywoman Susan Davis, Assemblyman Mike Honda, state Senator Adam Schiff, and former U.S. Representative Jane Harman — all of whom are aiming to knock off incumbents.

Pelosi's financial generosity does not end at the state line. Her "PAC to the Future" has raised \$700,000 to be doled out to at least 70 needy Democrats in a power-building approach perfected by such masters as Willie Brown, a close ally of Pelosi.

If Democrats prevail, Pelosi faces competition for the whip's post from two Easterners — Steny Hoyer of Maryland and John Lewis of Georgia. Pelosi began actively campaigning for the job last summer — and her aggressiveness froze the field and left Pelosi the undisputed frontrunner.

In the Bay Area, Pelosi is probably best known for helping efforts to turn the Presidio Army Base — a gorgeous and priceless expanse of land in the shadows of the Golden Gate Bridge — into part of the National Park System, as well as for her advocacy of AIDS funding.

Nationally, Pelosi is best known for her stands on China, particularly her outspoken crusade against Chinese political leaders she calls the "Butchers of Beijing." She has been a relentless critic of U.S.'s open trade policy with China.

But inside the House she is regarded as a gracious yet tenacious progressive and an indefatigable advocate of Democratic Party causes. Though she is as unabashedly liberal as any self-respecting San Francisco politician, support for her leadership quest extends to moderate Democrats such as representatives Mike Thompson of Eureka and Gary Condit of Modesto.

November may be several political lifetimes away, but Pelosi is already running at full speed. 🏠

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She is poised
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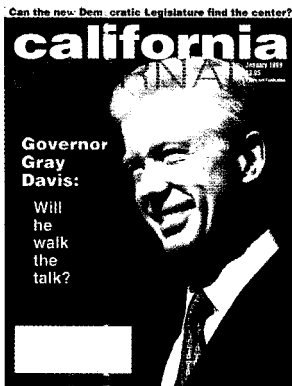
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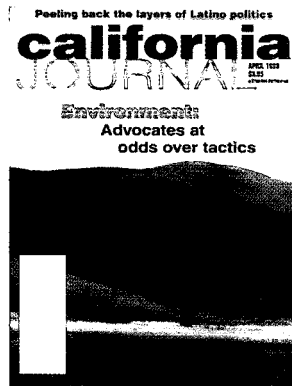
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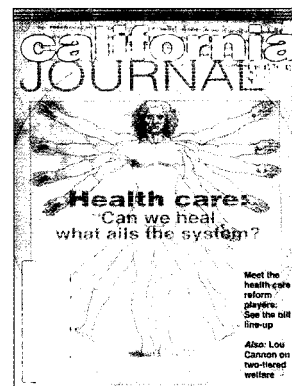
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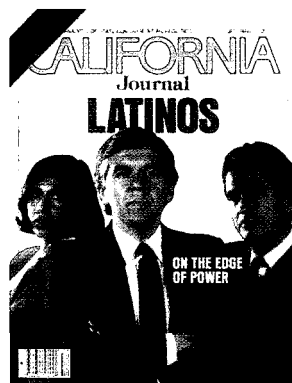


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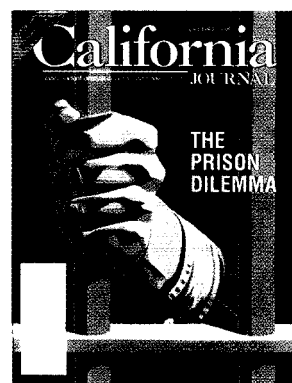
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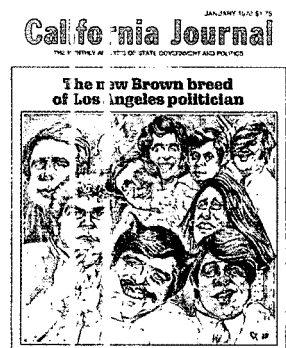


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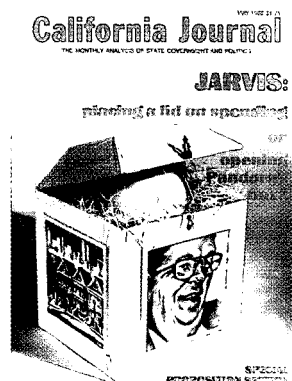


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